

Les Baugh  
County Member

Irwin Fust  
Special District Member

Larry Farr  
City Member

Mary Rickert  
County Member Alternate

Stan Neutze  
City Member Alternate

Brenda Haynes  
Special District Member

Francie Sullivan  
City Member



Larry Russell  
Public Member

Vacant  
Public Member Alternate

David Kehoe  
County Member

George Williamson  
Executive Officer

Patricia A. Clarke  
Special District Alternate

James M. Underwood  
General Counsel

Kathy Bull  
Manager

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## Agenda Item: 7.b

**Meeting Date:** April 5, 2018

**From:** George Williamson, Executive Officer & Kathy Bull, Office Manager

**Subject:** Castella Fire Protection District 2018 MSR and SOI Update

### **Background:**

The Castella Fire Protection District is an independent special district located in northwestern Shasta County along Interstate-5 and the Sacramento River. The District boundary encompasses 52,480 acres and contains approximately 876 parcels. The District's northern and western boundaries are coterminous with the county boundary, the eastern boundary follows the McCloud River and the southern boundary follows an east-west section line. The District works in conjunction with the City of Dunsmuir Fire Department and the Dunsmuir Fire Protection District to provide fire, rescue and emergency services. Dispatch is provided by the Yreka Interagency Command Center in Siskiyou County. Shasta LAFCO completed a MSR and SOI update in 2014 and the 2018 MSR and SOI update serves to build upon that service review and update.

### **Discussion:**

The Executive Officer met with Castella Fire Protection District staff and Board members on February 1<sup>st</sup> and attended a special Castella Fire Protection District Board Meeting on March 12<sup>th</sup> to review the 2018 MSR and SOI update.

Fire Services in the northern region of Shasta County are closely tied to fire services in Siskiyou County immediately to the North. The City of Dunsmuir, Dunsmuir FPD, and the Castella FPD coordinate in their delivery of services, essentially operating as one agency. The agencies operate under a Memorandum of Understanding. This MOU is documented in this MSR as well as details about their coordinated operations.

Because the agencies are already operating as one, this MSR proposes that a more formal agreement be made between the agencies, such as a Joint Powers Agreement or consolidation that will streamline administrative operations, allow for long-term strategic planning, and provide options for increased revenue.

The current Castella FPD SOI is coterminous with the District boundary, however, they often respond to calls for service outside their boundary to the south and along Interstate-5. This MSR/SOI update proposes to expand the SOI to the south to match their actual service area as reported by the District.

A number of seasonal dwellings in the District, passed down from generation to generation, qualify for the Property Tax Inheritance Exclusion. Due to this Exclusion and Proposition 13, property tax revenues are especially limited, and the District is interested in researching other potential revenue sources. In addition to property taxes and services charges, a special tax is another potential revenue source that was discussed during the MSR and SOI Update.

### **Recommendation:**

Staff recommends the Commission approve Resolution 2018-03 for the Castella Fire Protection District 2018 MSR and SOI Update.

Attachments: Castella Fire Protection District MSR/SOI  
Resolution 2018-03

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# **Castella**

## **Fire Protection District**

Municipal Service Review &  
Sphere of Influence Update

**March 20, 2018**  
Commission Hearing Draft

# SHASTA LOCAL AGENCY FORMATION COMMISSION

## Commissioners

Les Baugh, County Member - District 5 Supervisor  
David Kehoe, County Member - District 1 Supervisor  
Larry Farr, City Member - City of Shasta Lake  
Francie Sullivan, City Member - City of Redding  
Brenda Haynes, Special District Member - Anderson Cottonwood Irrigation District  
Irwin Fust, Special District Member - Clear Creek Community Services District  
Lawrence Russel, Public Member

## Alternate Members:

Mary Rickert, County Member - District 3 Supervisor  
Stan Neutze, City Member- City of Anderson  
Patricia A. Clark, Special District Member – Anderson Fire Protection District  
Bob Richardson, Public Member

## Shasta LAFCO Staff:

George Williamson, AICP, Executive Officer  
Kathy Bull, Office Manager  
James M. Underwood, Legal Counsel

## Planwest Partners Staff:

Colette Metz, Analyst  
Jason Barnes, GIS Analyst  
Julie Thomas, Services Assistant

## Acknowledgements:

LAFCO staff would like to thank the Castella Fire Protection District Chief Dan Padilla, Secretary Adam Heilman and the Board for making valuable contributions to this Municipal Service Review and Sphere of Influence Update.



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# INTRODUCTION

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This Municipal Service Review (MSR) and Sphere of Influence (SOI) Update provides information about the services and boundaries of Castella Fire Protection District (herein referred to as CFPD or District). The report is for use by the Shasta Local Agency Formation Commission (LAFCO) in conducting a statutorily required review and update process. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that the Commission conduct periodic reviews and updates of Spheres of Influence of all cities and special districts G.C. 56425. State law also requires that, prior to SOI adoption, LAFCO conduct a municipal services review provided by that local agency (Government Code §56430). This report provides LAFCO with a tool to study current and future public service conditions and to evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

## Service Review Determinations

In accordance with Government Code §56430 LAFCO must conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determinations with respect to each of the following topics:

- Growth and population projections for the affected area;
- The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
- Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies (including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence);
- Financial ability of agencies to provide services;
- Status of, and opportunities for, shared facilities;
- Accountability for community service needs, including governmental structure and operational efficiencies; and
- Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

## Report Uses

This service review process is intended to identify ways to adjust fire district boundaries, where appropriate, to match response areas. In addition, it serves to evaluate the feasibility of consolidations, where appropriate and to identify and implement other measures to address complete community coverage. The potential uses of this report are described below.

### To Update Spheres of Influence

This service review serves as the basis for updating the spheres of influence for the fire-related agency included in the report. Specifically, a sphere of influence designates the territory LAFCO believes represents an agency's appropriate future jurisdiction and service area. All boundary changes, such as annexations, must be consistent with an affected agency's sphere of influence with limited exceptions. LAFCO is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCO must update those SOIs every five years. For a SOI

update, LAFCO is required to conduct a MSR and adopt related determinations. It must also make the following SOI determinations:

### **To Consider Jurisdictional Boundary Changes**

LAFCO is not required to initiate any boundary changes based on service reviews. However, LAFCO, other local agencies (including cities, special districts or the County) or the public may subsequently use this report together with additional research and analysis, where necessary, to pursue changes in jurisdictional boundaries.

### **Resource for Further Studies**

Other entities and the public may use this report for further study and analysis of issues relating to fire protection and emergency medical services in southern Shasta County.

## **Sphere of Influence**

Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

## **Review Methods**

The following information was considered in the development of this service review:

- o Agency-specific data: responses to LAFCO Requests for Information from Shasta County Public Works Department;
- o Land Use and Shasta County General Plan and Zoning data: Shasta County Planning Division and GIS webpage;
- o Demographic data: U.S. Census Bureau; Dept. of Finance; CA Water Resources Board;
- o Finances: budgets, rates and fees;
- o Mutual/Automatic Aid Agreements;
- o Information provided through meetings District Staff and Board; and
- o Other Reports: State Water Resources Control Board, Division of Drinking Water survey.

State Guidelines and Commission policies encourage stakeholder cooperation in the municipal service review process and provide Information to make required determinations.

## **California Environmental Quality Act**

The California Environmental Quality Act (CEQA) is contained in Public Resources Code § 21000 et seq. Public agencies are required to evaluate the potential environmental effects of their actions. MSRs are statutorily exempt from CEQA pursuant to § 15262 (feasibility or planning studies) and categorically exempt pursuant to CEQA Guidelines § 15306 (information collection). CEQA requirements are applicable to SOI Updates. LAFCO is most often the CEQA lead agency for SOI Updates, unless an agency initiates an SOI change.

## **FPD Overview and Principal Act**

Fire Protection Districts are independent special districts under the Fire Protection District Law of 1987 (Health and Safety Code §13800, et seq.), with the authority to provide the following services: Fire Protection Services, Rescue Services, Emergency Medical Services, Hazardous Material Emergency Response Services, Ambulance Services, and any other services relating to the protection of lives and property.

# CASTELLA FIRE PROTECTION DISTRICT

The Castella Fire Protection District (Castella FPD or District) is an independent special district located in northwestern Shasta County along Interstate 5 and the Sacramento River. The District works in conjunction with the City of Dunsmuir Fire Department and the Dunsmuir Fire Protection District to provide fire, rescue and emergency services. Dispatch is provided by the Yreka Interagency Command Center in Siskiyou County. Shasta LAFCO completed a MSR and SOI update in 2014 and this report serves to build upon that service review and update.



**Table 1: Castella Fire Protection District**

<b>Fire Chief</b>	Dan Padilla	530-235-2551	dpadilla@ci.dunsmuir.ca.us
<b>Secretary</b>	Adam Heilman	530-925-0805	castella.fire.district@gmail.com
<b>Mailing Address</b>	29382 Main St	PO Box 130 Castella, CA 96017	
<b>Website</b>	facebook.com/pg/CastellaFire		http://www.ci.dunsmuir.ca.us
<b>Population Served</b>	3,000	<b>Service Area</b>	82 sq. mi (52,480 acres)
<b>Personnel</b>	3 Part-time Staff (Fire Chief, Asst Fire Chief and FPD Secretary) 9 Volunteers. (19 volunteers total for Castella-Dunsmuir Area)		

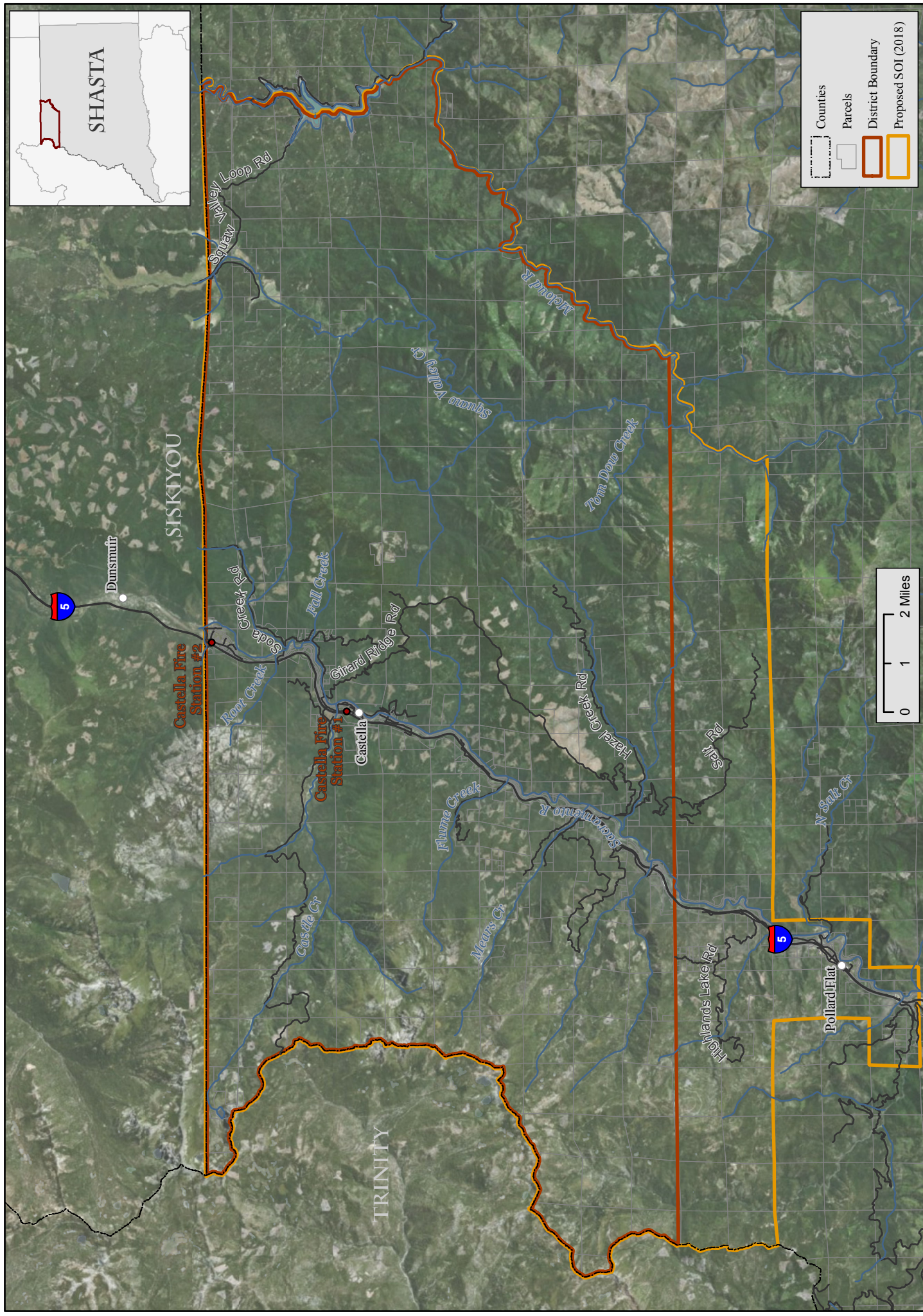
## Formation and Regional Context

The Castella FPD was formed in 1947 to provide fire protection services to the unincorporated Castella, Sweetbriar and Crag View Drive communities. A Memorandum of Understanding (MOU) was adopted In July 2008 between the Castella Fire Protection District and the City of Dunsmuir for Automatic Aid for all fire and emergency medical emergencies. In September of 2012, a separate joint agreement was established between Castella FPD, the City of Dunsmuir, Dunsmuir FPD, and Shasta County Fire to have all 3 agencies respond to calls for services to the area on and immediately adjacent to I-5 between Sims Road and Slate Creek. Castella FPD entered into a MOU with the Mt. Shasta FPD for automatic Aid in 2013 and a Cooperative Protection Agreement with The U.S. Forest Service in 2016. These agencies work together to provide comprehensive service across the northern Shasta and southern Siskiyou counties.

The Castella FPD, City of Dunsmuir, and Dunsmuir FPD act as one District, responding to all calls in each agency’s jurisdiction and sharing staff, facilities and equipment.

## District Boundary and Sphere

The District boundary encompasses 52,480 acres (82 square miles) and contains approximately 876 parcels (see figure 1). The District’s northern and western boundaries are coterminous with the county boundary, the eastern boundary follows the McCloud River and the southern boundary follows an east-west section line. The 2014 MSR and SOI Update showed a coterminous SOI, however the District often responds outside of its boundaries to the south and along the 1-5 corridor to Slate Creek. This update proposes to increase the SOI to include those areas to the south reflecting the actual District response area.



Counties  
 Parcels  
 District Boundary  
 Proposed SOI (2018)



# Castella Fire Protection District Proposed Sphere of Influence

Figure





## Population and Growth

Castella FPD is not a census-designated place so census-based population statistics are not available. Based on District data approximately 3,000 residents are served during the peak season. The year-round population served is estimated to be closer to 1,400 Based on California Department of Water Resources Data Disadvantaged Communities data.

A 2017 DOF report notes a recent 0.1 percent increase in Shasta County's unincorporated population from 2016 to 2017. However, County population estimates still predict a 0-0.5 percent increase through 2035. Using the higher of 0.5 percent annual growth estimate applied to the estimated peak season population of 3,000, the District population could increase to approximately 3,265 by 2035.

## Existing and Planned Land Uses

Land uses within the District are subject to the Shasta County General Plan and Zoning Regulations. The Castella community has a General Plan designation as a Rural Community Center. Zoning designations in the District are primarily Timber Production and Unclassified, with areas of Rural Residential and Commercial designations in the inhabited areas along the I-5 corridor. Current land uses include open space, forested areas residential and limited commercial. Substantial future development is unlikely along the I-5 corridor due to steep topography, resource land designations and limited access and services.

## Disadvantaged Unincorporated Communities

LAFCO is required to evaluate water service, sewer service, and structural fire protection within disadvantaged unincorporated communities as part of this service review, including the location and characteristics of any such communities. A disadvantaged unincorporated community (DUC) is defined as any area with 12 or more registered voters where the annual median household income (MHI) is less than 80 percent of the statewide annual median household income (pursuant to Government Code § 56033.5 and Water Code § 79505.5). Castella Fire Protection District provides fire protection services only and is therefore responsible for assuring that this service is adequately provided to the community.

Castella FPD is in Shasta County Community Tract 06089012500, with a MHI of \$41,917, which is 68 percent of the state average MHI, thereby qualifying the area as disadvantaged. Should territory in the surrounding area be proposed for annexation in the future, disadvantaged communities in the area should be considered.

## Infrastructure and Services

### Service Demands and Service Levels

In 2017 Castella FPD responded to a total of 205 calls (Table 2). Of those calls, the majority were medical calls, followed by 57 traffic accident calls - primarily along the I-5 corridor. There were 48 total fire calls. Of those, 15 were for vegetation fires, 7 were structure fires, and the remainder were classified as "other" fires. The remaining 28 calls were HAZ-MAT, Public Assist, and calls classified as "other."

Through the MOU with the City of Dunsmuir Fire Department, the District responds outside of its boundaries to the north into Siskiyou County. Through an agreement with CSA#1 – Shasta County Fire, the District responds south of the District boundary to calls along the I-5 corridor and residential areas nearby, with Lamoine being the southernmost extent. In 2017, the District responded to thirty-two calls in the area between the District boundary and the Pollard Flat/ Lamoine area. Of those, 19 were traffic related, six were emergency medical, and seven

were fire related calls. CFPD will respond if requested for mutual aid to this area however, responses to this area on initial dispatch do not regularly occur.

Within the District there is an *average* response time of approximately 4.5 minutes with the longest response time being 6 minutes. When responding to calls as far south as the Lamoine area, response times vary and can take as long as 24 minutes. The areas served outside of the District boundary are shown in figure 2. The District also responds to calls on US Forest Service land as well as to, CAL Fire call in Trinity County.

**Table 2: Castella Fire Protection District Calls for Service**

<b>Incident Type</b>	<b>2017</b>
Vegetation Fires	15
Structure Fires	7
Other Fires	26
Traffic Accidents	57
EMS	72
Hazmat	7
Public Assist	9
Other Calls	12
<b>Total Responses</b>	<b>205</b>
<b>Total Out of District</b>	<b>32</b>
<b>% Medical</b>	<b>35%</b>
<b>% Fire Response</b>	<b>23%</b>

### ISO Rating

ISO (Insurance Service Office) ratings provide statistical information about property/casualty insurance risk. The Public Protection Classification (PPC) program evaluates fire protection efforts in communities throughout the United States. PPC classifications are often used to measure the effectiveness of fire protection services. A Class 1 (one) indicates superior fire protection and Class 10 indicates that the fire suppression system in place does meet ISO's minimum criteria. The district currently has a split classification of 4/4Y, and improvement from 2014 reported ISO of 5/8B. The first number refers to the classification of properties within five road miles of a fire station and within 1,000 feet of a creditable water supply (most often a pressurized hydrant or standpipe). The second number applies to properties within five road miles of a fire station, but beyond 1,000 feet of a creditable water supply.

### Personnel & Training

The Castella FPD is considered a volunteer agency supported by paid staff. The District has three part-time, paid positions, a Fire Chief, an Assistant Fire Chief, and a Secretary. In addition, the District has 19 volunteer firefighters. A number of staff and volunteer firefighters are trained as Emergency Medical Technicians, Swiftwater Technicians, and Hazmat Technicians. Training is held every Wednesday for 2-4 hours. Volunteers and staff are encouraged to pursue additional training.

### Facilities and Apparatus

The Castella FPD has two stations. The Station 1 buildings located at 29382 Main Street in Castella, were constructed in 1946 and modified in 1981. The apparatus building is approximately 1,000 square feet with three bays. The administration building is approximately 3,000 square feet and provides office and meeting space and is currently undergoing repairs to allow for a sleeper program with enough room to sleep four people. Plans are to initiate

the sleeper residency in late summer 2018. Station 2, at 30816 Crag View Drive, was constructed in 1960 and is in fair condition as some maintenance issues such as painting have been deferred due to budgetary issues. County Service Area #3 – Castella provides water to Station 1; County Service Area #23 - Crag View provides water to Station 2. The CSAs supply the fire hydrants in the district.

Fire apparatus includes A 2000 Pierce Type 1 Engine, a 2008 Pierce Type III Wildland Vehicle, a 1999 Westates Type II Engine, a 1985 Seagraves Reserve Type 1 Engine, and a 1994 Water Tender. The District also owns and operates other significant safety equipment including hydraulic rescue tools and stabilizing rams. Through an Office of Traffic Safety Regional Grant, the Castella/Dunsmuir region received a great deal of emergency response equipment. The District has also received support from the CJ Berry foundation with the purchase of apparatus, equipment and other financial support.

**Table 3: Castella FPD Vehicles**

Vehicle	Capacity	Pump Capacity	Station
2000 Pierce Type I E811	650 gallons	1,250 gpm	1
2007 Pierce Type III E813	500 gallons	500 gpm	1
1999 Westates Type II E817	800 gallons	1,000 gpm	2
1985 Seagraves Type I E815	1,000 gallons	1,500 gpm	1
Water Tender 830	2,000 gallons	Unrated pump	2

## Challenges and Needs

The Primary challenges facing the District are lack of volunteers and financial challenges. The District is actively seeking volunteer firefighters through notices on their Facebook pages. One of the ways that the District is addressing the challenge of recruiting volunteers is by renovating Station # 1 to allow for a sleeper program.

The District reports that within the next three years, the SCBA cylinders will reach their end-of-life and need to be replaced. The District has been placing \$5,500 each Fiscal year into the equipment replacement fund in order to have the necessary funds available when needed for this project.

The majority of homes in the District are identified as generational homes, passed down by inheritance and not subject to reassessment due to the Property Tax Inheritance Exclusion. This in addition to Prop 13 has limited the property tax available to fund the District operations.

## Opportunities for Shared Facilities/Increased Efficiency

The Castella FPD, Dunsmuir FPD and the City of Dunsmuir Fire essentially operate as one agency through Memorandums of Understanding that provide for automatic aid. The agencies share staff, operate joint training exercises, share apparatus, equipment and some facilities; However, administrative operations are conducted separately with each agency maintaining its own budget and Boards of Directors. There is an opportunity for the agencies to formalize their agreements into a Joint Powers Agreement or a merger of the City and Districts.

## Financial Information

Although the Castella FPD, City of Dunsmuir Fire and Dunsmuir FPD operate as one unit, they are fiscally separate, each operating with its own budget. The administrative staff are paid through the City of Dunsmuir budget.

The Castella FPD supports its fire protection operations primarily through property taxes collected by the Shasta County Tax Collector and charges for services. As shown in the table below, the Castella FPD's actual revenue for FY 2016/17 totaled \$166,157. Total expenditures were \$136,841, leaving a balance of \$29,316. The adopted budget for 2017/18 shows \$216,300.00 in revenue and \$211,493.00 in expenses leaving a balance of \$4,807. At this time, there is a fund balance of \$11,000 which may be used for equipment replacement or upgrades to facilities.

### Financing Constraints and Opportunities

Due to the Property Tax Inheritance Exclusion and Proposition 13 property tax limitations, the District is interested in researching other potential revenue sources. In addition to property taxes and services charges, a special tax is another potential revenue source.

A special tax requires that a resolution or ordinance be adopted that finds a reasonable relationship between the tax and the service to be provided and specifying the type of tax, the tax rate to be levied, and the method of collection. Special taxes must be approved by a two-thirds majority of voters casting ballots. There may be a financial benefit to formally consolidating the three agencies into one.

**Table 4 – Budget FY 2016-17 Adopted and Actuals + FY 2017-18 Adopted**

Revenue	Adopted 17-18	Adopted 16-17	Actual 16-17
792500 DONATIONS/CONTRIBUTIONS	500.00	500.00	300.00
795000 AUDITOR VOID/STALE DATED CHECK		0.00	739.21
799600 INSURANCE LOSS & REFUNDS	0.00	0.00	309.00
101000 CURRENT SECURED TAXES	46,000.00	46,000.00	46,887.03
101001 CURRENT UNITARY TAXES	14,400.00	14,400.00	14,602.83
101011 CURR SEC TAX DEL ADV TEETER	0.00	0.00	733.91
101100 SUPPLEMENTAL TAXES CURRENT	450.00	450.00	524.06
101111 SUPPLEMENTAL TAXES CURR	0.00	0.00	53.38
102000 CURRENT UNSECURED TAXES	2,500.00	2,500.00	2,381.23
103010 SUPPLEMENTAL TAXES PRIOR	0.00	0.00	1.29
104000 PRIOR YEAR UNSECURED TAXES	50.00	50.00	20.36
420000 INTEREST	0.00	200.00	317.03
546000 STATE HOMEOWNERS EXEMPTION	900.00	900.00	811.72
549707 ST VOLUNTEER FIRE ASST GRANT	2,500.00	4,427.00	0.00
692024 REIMB FIRE CALLS	44,000.00	60,000.00	61,686.05
792579 CONTRIB FROM COMMUNITY	100,000.00	15,000.00	0.00
<b>Total Revenue</b>	<b>\$216,300.00</b>	<b>\$148,527.00</b>	<b>\$136,438.92</b>
<b>Expenses</b>			
001000 CASH IN TREASURY	0.00	0.00	26,524.84
001100 IMPREST CASH	0.00	0.00	50.00
002200 ACCOUNTS RECEIVABLE	0.00	0.00	110.75
005009 DUE FROM OTHER FUNDS	0.00	0.00	804.44
096744 TRAN OUT CASTELLA FIRE	5,500.00	5,500.00	5,500.00
005800 PREPAID EXPENSE	0.00	0.00	66.00
007000 SALARY AND BENEFITS PAY ABLE	0.00	0.00	822.15
007101 ACCOUNTS PAYABLE	0.00	0.00	5,198.68

Revenue	Adopted 17-18	Adopted 16-17	Actual 16-17
007400 DUE TO OTHER GOVERNMENTS	0.00	0.00	90.00
009700 FUND BALANCE UNASSIGNED	0.00	0.00	41,771.99
009720 FUND BALANCE ASSIGNED	0.00	0.00	612.00
011000 REGULAR SALARIES	32,000.00	32,000.00	31,120.75
018400 EMPLOYER SHR UNEMPLOYMENT INS	0.00	0.00	1,169.00
018500 WORKERS COMP EXPOSURE	9,000.00	11,000.00	8,524.00
032500 COMMUNICATIONS EXPENSE	2,500.00	2,500.00	2,304.95
032700 FOOD EXPENSE	500.00	500.00	329.10
032900 HOUSEHOLD EXPENSE	500.00	200.00	466.11
033100 INSURANCE EXPENSE	9,000.00	9,000.00	8,036.00
033500 MAINTENANCE OF EQUIPMENT	25,000.00	10,000.00	13,3889.64
033700 MAINTENANCE OF STRUCTURES	75,000.00	8,750.00	6,277.23
033900 MEDICAL/DENTAL/LAB SUPPLIES	500.00	500.00	435.90
034100 MEMBERSHIPS	350.00	350.00	50.00
034309 MISC XP PRIOR PERIOD REV ADJ	0.00	0.00	200.00
034500 OFFICE EXPENSE	300.00	300.00	510.02
034800 PROF & SPECIAL SERVICES	8,000.00	8,000.00	7,011.22
034893 CHGS AUD PROP TAX SYS	1,900.00	1,900.00	1,678.23
035500 MINOR EQUIPMENT	12,000.00	10,000.00	19,626.15
035700 SPECIAL DEPARTMENTAL EXPENSE	0.00	0.00	4.00
035900 TRANSPORTATION & TRAVEL	4,500.00	4,500.00	4,539.16
036100 UTILITIES	6,500.00	6,500.00	6,474.64
050221 RET LIT DT CURR PRINCIPAL	15,676.00	14,832.00	14,831.87
050321 INT LIT DT CURR INTEREST	7,416.00	8,260.00	8,260.42
050800 TAXES & ASSESSMENTS	51.00	47.00	48.80
051387 CONTR TO LAFCO	300.00	300.00	300.00
065082 1 TRUCK USED	0.00	15,050.00	15,050.00
<b>Total Expenses</b>	<b>\$211,493.00</b>	<b>\$144,989.00</b>	<b>\$321,046.22</b>
<b>Net Total (Deficit)</b>			

## Accountability and Governance

The Castella FPD is an independent, single purpose special district governed by a five-member Board of Directors who are elected at large to staggered four-year terms by registered voters that live in the District. Board meetings are held on the first Tuesday of each month at 7:00 pm at Station 1. Agendas are posted at the office at least 72 hours in advance of the meeting and board packets are available for review during normal business hours.

The Dunsmuir Fire Department is operated by the City of Dunsmuir and is overseen by the City Council and Public Safety Committee. City Council Meetings are held the third Thursday of every month at 6:00 pm at the Council Chambers located at 5902 Dunsmuir Ave, Dunsmuir, CA 96025. The Public Safety Committee meets every third Wednesday as needed.

## Governance Structure Options

Fire Services in the northern region of Shasta County are closely tied to fire services in Siskiyou County immediately to the North. The City of Dunsmuir, Dunsmuir FPD, and the Castella FPD closely coordinate in their delivery of services, essentially operating as one agency. It is

LAFCO's intent to ensure efficient provision of services. To accomplish this, LAFCO encourages the Northern Shasta and Southern Siskiyou region's fire service providers to consider a more formal organizational structure. The last ten years of partnership through the memorandum of understanding clearly demonstrates that efforts to further promote efficiency through formal organization can be successful. There are a number of Governance structure options that would formalize a services agreement between the City and Districts. The following sections outline these options.

### **Annexation**

Annexation, or the expansion of Castella FPD's jurisdictional boundary to the south, is an effective way to address the problem of providing goodwill services outside its jurisdictional boundaries. Annexation enable districts to extend its current funding sources (property taxes) into the annexation area from which the fire district can rely upon into the future and improve service delivery. In addition, the new district boundaries would clearly define service responsibilities for the benefit of neighboring fire service providers, land use authorities, the public and other service providers. An annexation can take place at any point when considering entering into a formal agreement between the City and FPDs.

Any changes to District boundaries is considered a reorganization. Areas considered for annexation that are currently within the jurisdiction of another agency, such as CSA #1, would need to be detached as a condition of the annexation. In order to collect property taxes in an area currently collected by the county, Castella FPD would need to enter into a tax exchange agreement with Shasta County.

### **Joint Powers Agreement**

One option is to enter into a joint powers agreement which establishes a new, separate government organization called a Joint Powers Authority or Joint Powers Agency created by the member agencies but legally independent from them. Each member agency maintains their existing governing boards and create a new board with members of both the City and Districts as Directors of the combined Board of Directors. This allows for greater efficiency of board decision making. A JPA is a legal agreement between two or more public agencies that share a common power and want to jointly implement programs, build facilities or deliver services.

One of the primary benefits that a formal JPA could bring to the region is an opportunity to establish a new, combined, funding source. Pursuant to Government Code Section 6502, a JPA may exercise its authority to levy a fee, assessment, or special tax for the entire service area. Additionally, entering into a JPA can help local agencies pursue grants to fund better services, start new programs, or purchase equipment. Participation in a JPA helps local authorities show the grant givers that they are willing to cooperate on regional problems as opposed to competing against each other for grant funds for separate projects.

The general process of forming a JPA can be undertaken in a number of ways, but often as a multi-phase plan. Phase I being the blending of operations – which Castella FPD, the City of Dunsmuir and the Dunsmuir FPD have already completed; Phase II being the consolidation of the administrative services and creation of the JPA Board of Directors.

### **Consolidation**

Another option is to consolidate the District, the Dunsmuir Fire Protection District, and City of Dunsmuir Fire Department. The agencies currently operate as one district in practical terms but have separate budgets and revenue sources. Consolidation offers the opportunity to streamline administrative operations as well as conduct strategic and master planning for the

broader service area. There are a number of consolidation options. One is the annexation of the City of Dunsmuir and Dunsmuir FPD into the Castella FPD.

Under this option, the City would divest itself of fire service, transfer applicable assets to the reorganized District, and the Dunsmuir FPD would be dissolved. Alternatively, the Dunsmuir FPD could annex Castella FPD and the City of Dunsmuir; Castella FPD would be dissolved and the City would divest itself of fire service and transfer applicable assets to the reorganized District.

The consolidation process would allow for the provision of fire and emergency services to continue to operate as they are currently, but administrative operations will be combined to provide for increased efficiency.

## **SPHERE OF INFLUENCE UPDATE**

As noted above the District often responds outside of its boundaries to the south along the 1-5 corridor to Slate Creek. This includes the Pollard Flat and Lamoine areas, as shown in Figure 1. This update proposes to increase the SOI to include those areas to the south reflecting the actual District response area

# MUNICIPAL SERVICE REVIEW DETERMINATIONS

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Shasta LAFCO makes the following written determinations.

## **(1) Growth and population projections for the affected area**

- a. The estimated Castella FPD population is 3,000 at peak season based on District data. The average year-round population could be approximately 1,400 based on California Department of Water Resources Disadvantaged Communities data.
- b. Using a 0.5 percent growth rate, and the peak season population estimate, the District could expect to serve 265 more residents, totaling 3265, by 2035.

## **(2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence**

- a) Castella FPD is located in Community Tract 06089012500 with a \$41,917 MHI, which is 68 percent of California's MHI, thereby qualifying it as a DUC.

## **(3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantage unincorporated communities within or contiguous to the sphere of influence.**

- a) The Castella FPD is a component of the Dunsmuir-Castella Fire Department which also includes the Dunsmuir Fire Department and the Dunsmuir Fire Protection District. The Dunsmuir-Castella Fire Department also participates in an automatic aid agreement with the Mt. Shasta city Fire Department.

## **(4) Financial ability of agencies to provide services**

- a) Castella FPD is primarily funded through charges for services and property taxes Those funds are used exclusively for fire protection, and related emergency services. Total revenues generated in FY 2016/17 were \$65,181

## **(5) Status of, and opportunities for, shared facilities**

- a) The FPD has two stations. Station 1 is located at 29382 Main Street. Station 2 is located at 30816 Crag View Drive in Dunsmuir, CA is Siskiyou County. The facilities are maintained in good condition. Renovations on Station 1 are underway to allow for a sleeper program.
- b) Castella FPD and Dunsmuir Fire Department operate together to provide fire service and emergency medical services to northern Shasta County and southern Siskiyou County. The departments participate in mutual and automatic aid agreements with state and federal fire departments located nearby.
- c) CSA #1 Provides Fire and EMS services adjacent to the Castella FPD boundary in Shasta County.



**(6) Accountability for community service needs, including governmental structure and operational efficiencies**

- a) Castella FPD is an independent district governed by a board of directors. The Board holds regular meetings on the 2<sup>nd</sup> Tuesday of every month at 7:00 pm at 29382 Main Street.
- b) The district does not have a website, but it does have a Facebook page where photos and news are shared. Establishing a website and posting relevant information regarding service, budgets, financial data and contact information may provide improved transparency.
- c) The district demonstrated accountability in its cooperation with LAFCO's information requests.

**(7) Any other matter related to effective or efficient service delivery, as required by commission policy**

- a) None other than those presented here.

## **SPHERE OF INFLUENCE DETERMINATIONS**

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Shasta LAFCO makes the following written SOI determinations.

**The present and planned land uses in the area, including agricultural and open-space lands.**

Land uses within the response area are subject to the Shasta County General Plan and Zoning Regulations. Current land uses include open space, dense forested areas and residential developments. Potential future development would likely occur along the I-5 corridor due to the steep forest lands that cover the majority of the district.

**The present and probable need for public facilities and services in the area.**

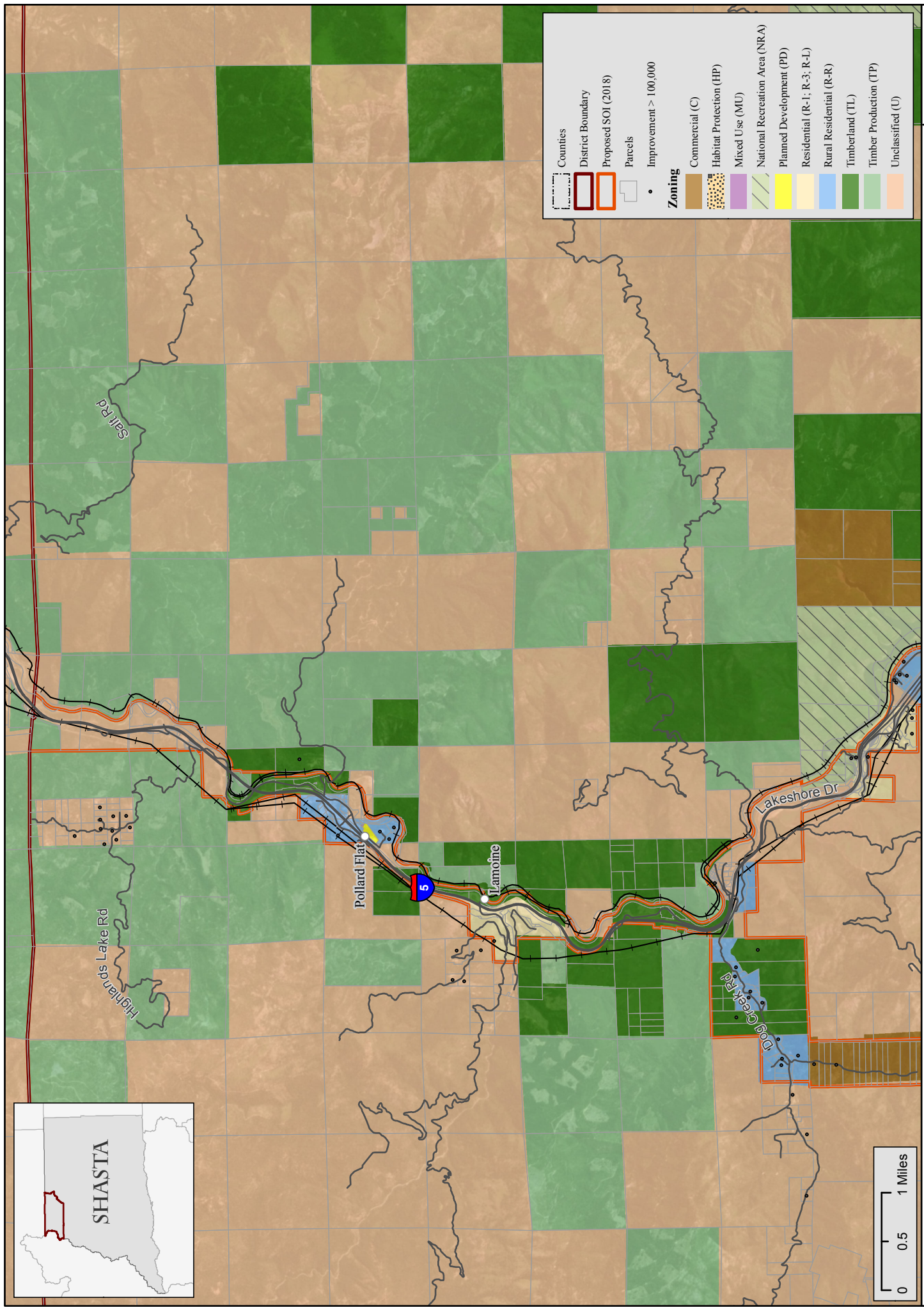
The CSA 1 Lakehead Station closure resulted in increased Castella FPD response to the Pollard Flats areas. This may continue in the future.

**The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

Castella FPD responds outside of the district and SOI to the residential areas near Pollard Flat and Lamoine. The SOI should be expanded to include these residential areas.

**The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.**

Castella FPD is in Shasta County Community Tract 06089012500, with a MHI of \$41,917, which is 68 percent of the state average MHI, thereby qualifying the area as disadvantaged.



Counties	District Boundary	Proposed SOI (2018)	Parcels	Improvement > 100,000
<b>Zoning</b>				
Commercial (C)	Habitat Protection (HP)	Mixed Use (MU)	National Recreation Area (NRA)	Planned Development (PD)
Residential (R-1; R-3; R-L)	Rural Residential (R-R)	Timberland (TL)	Timber Production (TP)	Unclassified (U)

# Castella Fire Protection District Zoning Pollard Flat

Figure



Sources: Boundaries, Roads, Parcels: Shasta County GIS.

**SHASTA LOCAL AGENCY FORMATION COMMISSION**

**RESOLUTION 2018-03**

**RESOLUTION OF THE SHASTA LOCAL AGENCY FORMATION COMMISSION  
ADOPTING THE MUNICIPAL SERVICE REVIEW & SPHERE OF INFLUENCE UPDATE OF  
THE CASTELLA FIRE PROTECTION DISTRICT**

**WHEREAS**, the Shasta Local Agency Formation Commission (LAFCO), hereinafter referred to as the "Commission", is authorized to conduct municipal service reviews and establish, amend, and update spheres of influence for local governmental agencies whose jurisdictions are within Shasta County; and

**WHEREAS**, the Executive Officer prepared a Municipal Service Review of the Castella Fire Protection District (FPD), and a proposed updated sphere of influence boundary recommendation based upon this analysis pursuant to California Code Section 56430; and

**WHEREAS**, sufficient hearing notice was published in the form and manner provided by law; and

**WHEREAS**, a staff report with recommendations was presented to the Commission in the manner provided by law; and

**WHEREAS**, the Commission heard and fully considered all testimony and evidence presented at a public hearing held on April 5, 2018; and

**WHEREAS**, the Commission considered all the factors required under California Government Code Section 56425.

**NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:**

1. The Commission hereby accepts the Castella Fire Protection District Municipal Review and Sphere of Influence update, incorporated herein by reference.
2. The Commission, as the lead agency, finds the sphere of influence update is exempt from further review under the California Environmental Quality Act pursuant to Title 14 of the California Code of Regulations, Chapter 3 CEQA Guidelines, 15061(b)(3).
3. The Commission, pursuant to Government Code Section 56425, makes the written statement of determinations included in the sphere of influence update, hereby incorporated by reference.
4. The Executive Officer shall revise the official records of the Commission to reflect this Sphere of Influence Update.

**BE IT FURTHER RESOLVED** The Castella Fire Protection District Sphere of Influence Update is hereby approved and incorporated herein by reference as presented on the attached map Exhibit A.

**THE FOREGOING RESOLUTION** was passed and duly adopted at a regular meeting of the Shasta LAFCO Commission on the 5<sup>th</sup> day of April, 2018, and adopted by the following vote:

AYES:  
NOES:  
ABSTAINS:  
ABSENT:

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Date

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Irwin Fust, Chairman  
Shasta Local Agency Formation Commission